



Economic Impact Analysis Virginia Department of Planning and Budget

12 VAC 5-501 – Department of Health (State Board of) Rules and Regulations Governing the Construction of Migrant Labor Camps November 17, 2003

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

Summary of the Proposed Regulation

The Board of Health proposes to repeal the existing regulation and adopting a new regulation in its place due to major organizational changes. The substantive proposed changes include 1) requiring camp wells that do not meet the definition of waterworks comply with private well construction regulations rather than waterworks construction regulations, 2) eliminating provisional permits, and 3) removing the requirement that inspections be conducted bi-weekly.

Estimated Economic Impact

These regulations apply to more than 600 migrant labor camps in Virginia. These camps are estimated to house approximately 16,673 laborers next year. About half of the camps are concentrated in counties of Accomac, Northampton, Pittsylvania, Mecklenburg, Halifax, and Brunswick. The agricultural products grown heavily in these localities include tomatoes, potatoes, tobacco, Christmas trees, and apples. A large percentage of the laborers come from South and Central America to these camps on a temporary basis. The purpose of these

regulations is to protect these migrant laborers against health risks that may originate in camp sites, water supplies, sewage, solid waste, campgrounds, buildings, and other structures.

One of the proposed changes will require the camps with water supplies that do not meet the definition of waterworks to comply with construction standards for private wells rather than construction standards for waterworks. Water supplies are defined as waterworks if they serve 25 or more people, 60 or more days out of the year. Currently, all migrant labor camp water supplies are required to comply with construction and bacteriological standards for waterworks. With this change, all will remain subject to waterworks bacteriological standards, but the camp wells that do not meet the waterworks definition could be built according to private well design specifications.

This change will affect the construction of future water supplies at the camps. The number of such wells is not known at this time. The cost difference between the construction of private wells and of waterworks is highly variable and depends on the site, type of drilling, type of well casing used, etc. The difference may range from less than \$1,000 to several thousand dollars. Thus, this change will reduce the compliance costs for camp owners or operators who will be allowed to construct their wells according to private well design specifications under the proposed changes. Since affected wells will continue to comply with waterworks bacteriological standards, the department does not expect any significant changes in health risks that may be present.

Another change will eliminate the provisional permits the department has issued in the past. The department estimates that between 5 and 20 provisional permits may have been issued in the last 5 years. A provisional permit was issued when a camp did not fully comply with the regulations, but the deficiencies did not introduce a significant health risk. For example, a provisional permit would be issued to a camp with a window needing some maintenance or a camp where there are no laundry tubs. However, the federal Department of Labor and Industry does not recognize provisional permits and issued fines about two years ago to the provisional permit holders as if they did not have any permit. Since then the department no longer issues any provisional permits in practice. Since the provisional permits have not been issued for the last two years, no significant economic impact is expected upon promulgation of these regulations.

Finally, another proposed change will no longer require the department to conduct inspections on a bi-weekly basis. Currently, the department is required to inspect every camp bi-weekly. In practice however, this requirement is not fully enforced due to significant shortage of inspection staff. In some localities, only annual inspections are conducted while in a small number of other localities monthly, or bi-weekly inspections are feasible.

With this proposed change, the department will have more discretion in allocating its inspection staff compared to complying with the current uniform inspection frequency. For example, the department will be allowed to shift its resources to inspection of camps with less than adequate compliance histories. This flexibility in allocating currently available inspection resources among camps with varying compliance histories is expected to improve the enforcement of these regulations and therefore the protection of health afforded to migrant laborers at these camps.

Businesses and Entities Affected

There are currently more than 600 migrant labor camps in the Commonwealth. These camps are estimated to house approximately 16,673 laborers next year.

Localities Particularly Affected

The proposed regulations apply throughout Virginia. However, the migrant labor camps are concentrated in counties of Accomac, Northampton, Pittsylvania, Mecklenburg, Halifax, and Brunswick.

Projected Impact on Employment

The proposed regulations are not expected to create any significant effect on employment.

Effects on the Use and Value of Private Property

The proposed regulations are unlikely to significantly affect the use and value of private property.